

State of California
AIR RESOURCES BOARD
Executive Order DG-018
Distributed Generation Certification of
Capstone Turbine Corporation
C65-ICHP Microturbine

WHEREAS, the Air Resources Board (ARB) was given the authority under California Health and Safety Code section 41514.9 to establish a statewide Distributed Generation (DG) Certification Program to certify electrical generation technologies that are exempt from the permit requirements of air pollution control or air quality management districts;

WHEREAS, this DG Certification does not constitute an air pollution permit or eliminate the responsibility of the end user to comply with all federal, state, and local laws, rules and regulations;

WHEREAS, on September 12, 2007, Capstone Turbine Corporation applied for a DG Certification of its 65 kW, C65-ICHP Microturbine and whose application was deemed complete on October 4, 2007;

WHEREAS, the C65-ICHP Microturbine is manufactured and sold with integrated combined heat and power technology;

WHEREAS, Capstone Turbine Corporation has demonstrated that the C65-ICHP Microturbine complies with the minimum efficiency requirement in section 94203 (b);

WHEREAS, section 94203 (b) allows for a energy credit at the rate of one megawatt-hour for each 3.4 million British thermal units of heat recovered to be used when calculating emission rates;

WHEREAS, Capstone Turbine Corporation has demonstrated, according to test methods specified in title 17, California Code of Regulations (CCR), section 94207, that its natural-gas-fueled C65-ICHP Microturbine has complied with the following emission standards:

1. Emissions of oxides of nitrogen no greater than 0.07 pounds per megawatt-hour;
2. Emissions of carbon monoxide no greater than 0.10 pounds per megawatt-hour; and
3. Emissions of volatile organic compounds no greater than 0.02 pounds per megawatt-hour;

WHEREAS, Capstone Turbine Corporation has demonstrated that its C65-ICHHP Microturbine complies with the emissions durability requirements in title 17, CCR, sections 94203 (d);

WHEREAS, I find that the Applicant, Capstone Turbine Corporation, has met the requirements specified in article 3, title 17, CCR, and has satisfactorily demonstrated that the C65-ICHHP Microturbine meets the fossil fuel 2007 DG Certification emission standards;

NOW THEREFORE, IT IS HEREBY ORDERED, that a DG Certification, Executive Order DG-018 is granted.

This DG Certification:

- 1) is subject to all conditions and requirements of the ARB's DG Certification Program, article 3, title 17, CCR, including the provisions relating to inspection, denial, suspension, and revocation;
- 2) shall be void if any manufacturer's modification results in an increase in emissions or changes the efficiency or operating conditions of a model, such that the model no longer meets the 2007 DG Certification emission standards;
- 3) shall be void if the unit is manufactured or sold without the combined heat and power system integrated;
- 4) shall be void if any manufacturer modification results in the model no longer meeting the minimum efficiency requirements in section 94203 (b); and,
- 5) shall expire on October 12, 2012.

Executed at Sacramento, California, this 12th day of October 2007.

Tom Cackette
Acting Executive Officer
by

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Robert D. Fletcher, Chief
Stationary Source Division